

**LFC Requester:****Kelly Klundt****AGENCY BILL ANALYSIS  
2016 REGULAR SESSION****WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:****[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)***and***[DFA@STATE.NM.US](mailto:DFA@STATE.NM.US)***{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}**Check all that apply:*

Original ☐ Amendment ☐  
 Correction ☐ Substitute ☒

**Date** 2/17/2016**Bill No:** HB 283**Sponsor:** Larry A. Larrañaga**Agency Code:** 305**Short** Unemployment Compensation**Person Writing** Dylan K. Lange, AAG**Title:** Contribution Rates**Phone:** 505-982-7479 **Email** dlange@nmag.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY16	FY17	FY18		

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE****BILL SUMMARY**

This analysis is neither a formal Attorney General's Opinion nor an Attorney General's Advisory Letter. This is a staff analysis in response to an agency's, committee's, or legislator's request.

**Synopsis:**

This second substitution bill changes the language from the 2/10/16 substitution bill to trigger the calculations and contributions provided in NMSA 1978, Section 51-1-11, starting in 2017 instead of the third quarter of 2016, as currently proposed.

Section 1 (F) adds language regarding calculating the employer's benefit contribution. This new language provides a temporary adjustment to the employer's contribution rate beginning in 2017. This is a change from the 2/10/16 substitution bill which allowed for adjustment starting from the third quarter of 2016. Subsection (I) and (K) also start the computations in 2017 as opposed to 2016.

**FISCAL IMPLICATIONS****SIGNIFICANT ISSUES****PERFORMANCE IMPLICATIONS**

This change addresses the implications as described in the 2/10/2016 bill analysis.

**ADMINISTRATIVE IMPLICATIONS****CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP****TECHNICAL ISSUES****OTHER SUBSTANTIVE ISSUES****ALTERNATIVES****WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL****AMENDMENTS**